HUD PD&R National Housing Market Summary

The Housing Market Recovery Showed Progress in the First Quarter

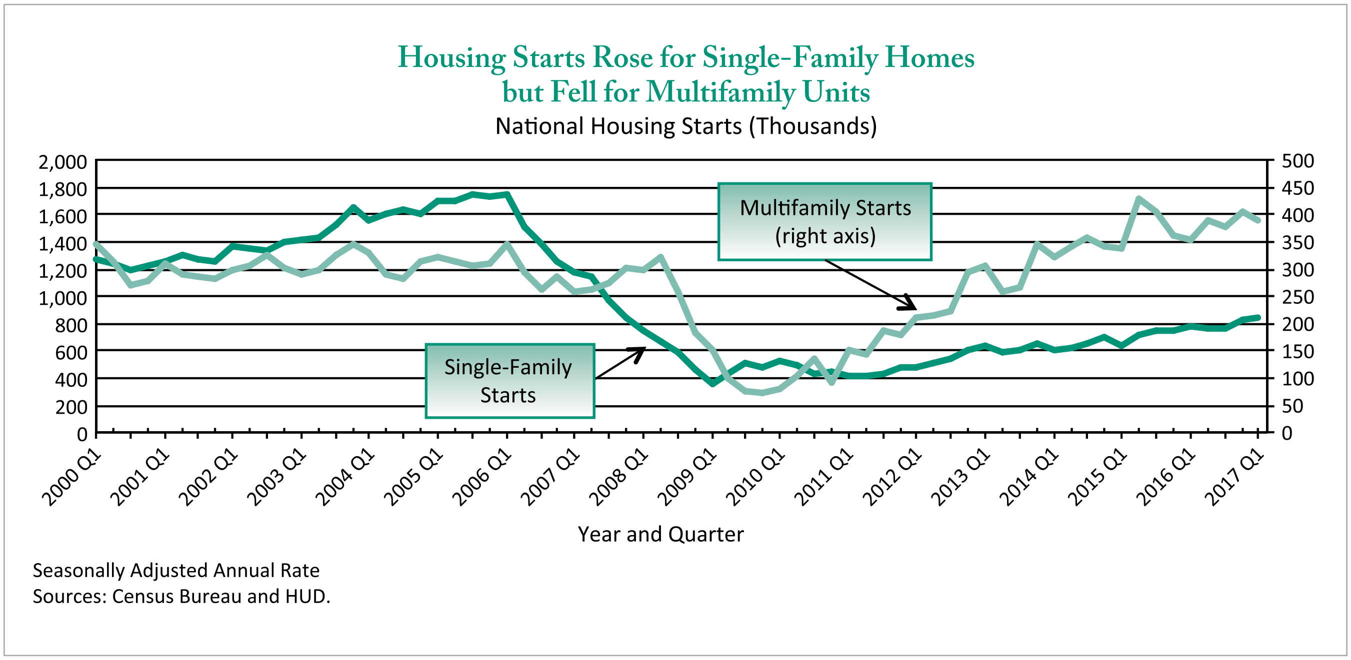
The housing market improved in the first quarter of 2017. Construction starts rose for single-family homes but fell for multifamily housing. Purchases rose for both new single-family and previously owned (existing) homes, while the months' supply of homes for sale increased for existing housing, but dropped for new housing. The seasonally adjusted (SA) Federal Housing Finance Agency's (FHFA) and the CoreLogic Case-Shiller® repeat-sales house price indices showed home values increasing in the first quarter, with annual house price appreciation stabilizing in a 5- to 6-percent range.

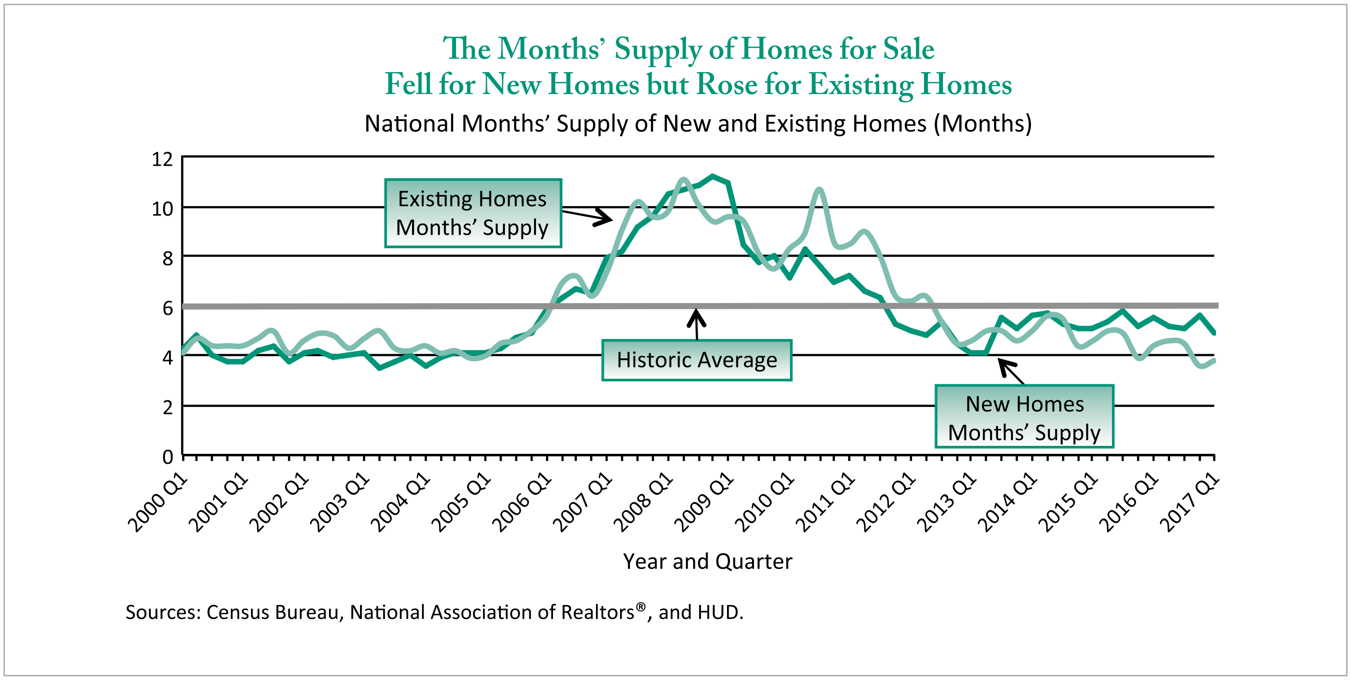
Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that measures of delinquency declined in the first quarter. ATTOM Data Solutions® data show that both newly initiated and completed foreclosures declined. The national homeownership rate fell after rising for two consecutive quarters. According to the Bureau of Economic Analysis' second estimate, the U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 1.2 percent, following a 2.1-percent gain in the fourth quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, showed a gain of 13.8 percent following a 9.6-percent increase in the previous quarter and contributed a 0.50 percentage-point increase to real GDP growth following a 0.35-percentage-point increase in the fourth quarter.

Housing Supply

Homebuilding rose for single-family homes but fell for multifamily units. Construction starts on single-family homes, at 841,000 units (SAAR) in the first quarter of 2017, were up slightly (1 percent) from the previous quarter and up 7 percent from the previous year. The pace of single-family housing starts is now nearly two-thirds the annual rate (AR) of 1.36 million units in 2002, before the housing bubble began. Multifamily housing starts, at 391,000 units (SAAR) in the first quarter, were down 4 percent from the previous quarter but up 11 percent from the previous year. The 2002 pace was 308,000 units (AR). Although improving, single-family housing starts have been slow to bounce back in this recovery. The share of single-family housing starts has fallen from 85 percent in the third quarter of 2009, when the recovery began, to 68 percent in the first quarter of 2017. Because of a relatively strong rental market in this recovery, the share of multifamily starts has grown from 13 to 31 percent during the same period. The share of single-family starts has improved since the second quarter of 2015, however, when it reached a low of 62 percent and the share of multifamily starts was 37 percent. Single-family and multifamily starts historically have averaged respective market shares of 72 and 24 percent, with two- to four-unit structures making up the rest of the market.

The months' supply of homes on the market fell for new homes but rose for existing homes. The listed inventory of new homes for sale at the end of the first quarter was 264,000 units (SA), which would support 4.9 months of sales at the current sales pace, down from 5.6 months in the previous quarter and 5.5 months in the previous year. The listed inventory of existing homes for sale, at 1.80 million units, represents a 3.8-month supply of existing homes for sale, up from 3.6 months the previous quarter but down from 4.4 months a year earlier. The long-term average for months' supply of homes on the market is about 6.0 months. Rising inventories would improve sales because the low level of inventories has been an impediment to a stronger housing market recovery.


Housing Starts Rose for Single-Family Homes
but Fell for Multifamily Units
National Housing Starts (Thousands)
Multifamily Starts (right axis)
Single-Family Starts
Year and Quarter
Seasonally Adjusted Annual Rate
Sources: Census Bureau and HUD.


The Months' Supply of Homes for Sale
Fell for New Homes but Rose for Existing Homes
National Months' Supply of New and Existing Homes (Months)
Existing Homes Months' Supply
Historic Average
New Homes Months' Supply
Year and Quarter
Sources: Census Bureau, National Association of Realtors®, and HUD.

Housing Demand

Sales rose for both new and existing homes. Purchases of new single-family homes, at 616,000 units (SAAR) in the first quarter, were up 8 percent from the previous quarter and 17 percent from the previous year. New home sales remain well below the annual pace of 973,000 units in 2002, before the start of the housing bubble, however. The National Association of Realtors® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a rate of 5.6 million (SAAR) in the first quarter, up 1 percent from the previous quarter and 5 percent from year-ago levels. Since the end of 2015, existing home sales have been equal to or stronger than the 5.4 million annual pace before the housing bubble. Sales to first-time buyers accounted for 32 percent of all sales transactions in the first quarter, the same as the previous three quarters but well below the historic norm of 40 percent. The weakness in sales reflects more stringent bank lending standards, low sales inventory, and there being technical issues in seasonal adjustment factors related to fewer distressed properties, which have declined sharply over the past few years. Like single-family housing starts, sales of new homes have been slower to bounce back in this recovery. Historically, existing home sales as a share of total sales have been 85 percent of the market, with the share of new home sales representing the remaining 15 percent. The share of existing home sales began to rise in 2007 and is currently 90 percent, with the share of new home sales dropping to 10 percent. In terms of average sales, the ratio of existing to new home sales historically has been 6 to 1, whereas the ratio is currently 9 to 1, although that ratio has fallen from 14 to 1 in 2011.

Annual house price gains remain stable in a 5- to 6-percent range. The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices appreciating at a 1.4-percent rate in the first quarter, slightly slower than the 1.5 percent pace in the fourth quarter. House prices rose at an annual pace of 6.0 percent, also slightly slower than the 6.2-percent annual change in the previous quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales house price index estimated a 1.6-percent rise in house prices for the first quarter, down from a 2.1-percent gain in the previous quarter. House prices rose over the four-quarter period by 5.7 percent, showing an acceleration over the previous quarter's 5.3-percent annual gain. According to both indices, house prices peaked during the bubble in the first quarter of 2007. The FHFA index indicates that home prices are 7.4 percent above their previous peak, whereas the CoreLogic Case-Shiller® index shows home values 2.1 percent above their previous high point. The FHFA index differs from the CoreLogic Case-Shiller® index mainly because the FHFA index, unlike the CoreLogic Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. The share of distressed sales rose slightly in the first quarter, while investor purchases also increased. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 7 percent of all existing home sales, up from 6 percent in the fourth quarter but down from 9 percent one year ago. Investor purchases, which tend to put upward pressure on prices, accounted for 16 percent of existing home sales, up from 13 percent in the previous quarter but unchanged from one year ago.

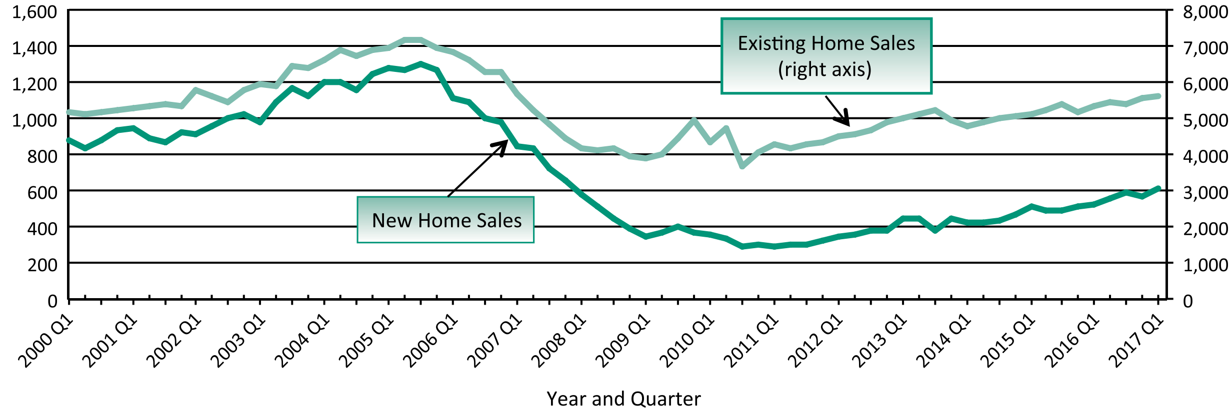
The absorption rate fell for both new condominiums and cooperatives and new apartments. Of newly completed condominiums and cooperatives in the fourth quarter, 47 percent sold within 3 months, down from 71 percent in the previous quarter and 81 percent one year ago. Of new apartments completed in the fourth quarter, 53 percent were leased within the ensuing 3 months, down from 58 percent in the previous quarter and 60 percent a year earlier.

The affordability of owning a home declined. The NAR Composite Housing Affordability Index dropped to 160.3 in the first quarter from 166.0 in the previous quarter. The decrease in the ability to purchase a home resulted from a rise in mortgage rates, which more than offset a drop in the median price of a single-family home and an increase in Median Family Income. The homeownership affordability index peaked in the first quarter of 2012, at 209.8, and began to slip as home prices climbed and mortgage rates rose, although moderate changes in mortgage rates and fluctuating median house prices have caused the series to oscillate since the third quarter of 2013. The NAR Composite Housing Affordability Index for the first quarter is still well above its historic norm of 129, however.

The affordability of renting a home improved. In real terms, the median price of renting a home fell 0.8 percent in the first quarter of 2017, while the median income of a renter household decreased 0.2 percent, leading to an increase in rental affordability. HUD's Rental Affordability Index shows that the ability to rent a home rose 0.5 percent

Sales Rose for Both New and Existing Homes

National Home Sales (Thousands)

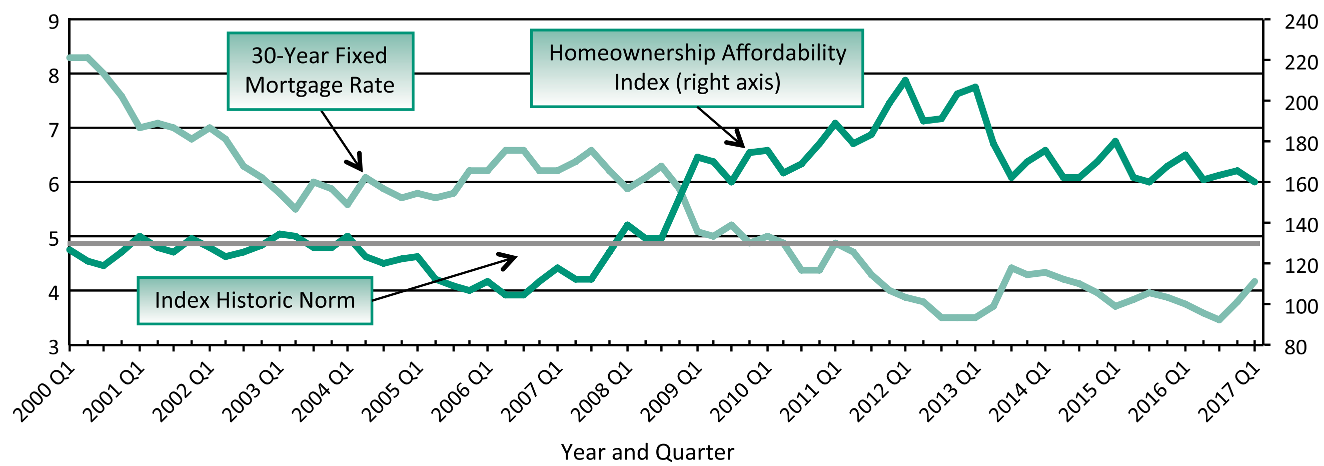


Seasonally Adjusted Annual Rates

Sources: Census Bureau, HUD, and National Association of Realtors®.

Homeownership Affordability Declined

Percentage Rates and Index Values



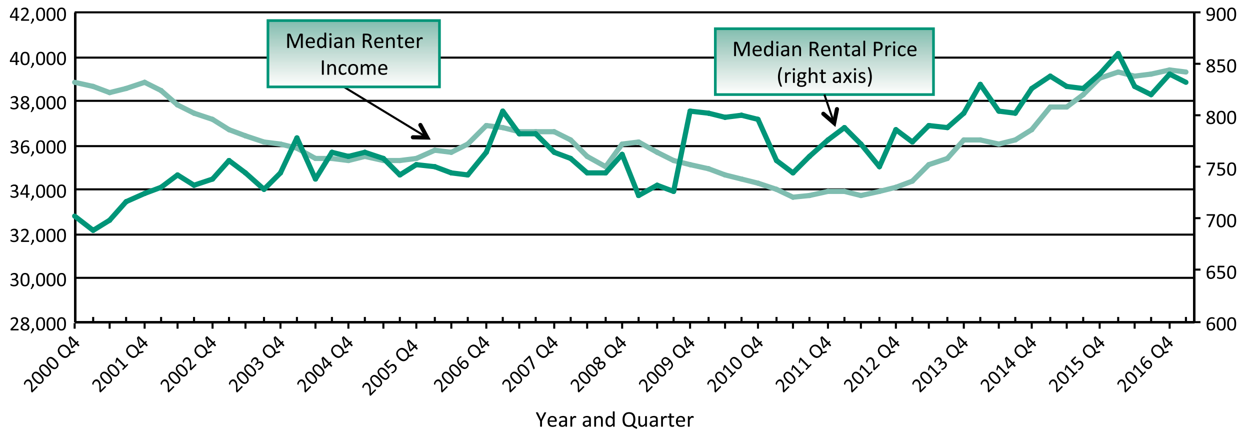
The historical norm of 129 is the median value of the affordability index since 1989.

Sources: Freddie Mac and National Association of Realtors®.

in the first quarter and 3 percent over the four-quarter period. NAR's Composite Housing Affordability Index, on the other hand, shows that the ability to purchase a home declined 3 percent in the first quarter and 8 percent from a year earlier. The affordability of leasing a home declined 23 percent from the first quarter of 2001 to its low point at the end of 2010 and has improved 10 percent since. In contrast, the affordability of purchasing a home rose 101 percent from its low point in mid-2006 to its peak in the beginning of 2012 and has declined 24 percent since. Housing affordability has declined since 2012 as higher prices have outweighed stable to lower mortgage rates. The gap between the ability of a renter household with median income to lease a home compared with the ability of a family with median income to purchase a home peaked in 2012 and has fallen 59 percent since.

The Affordability of Renting Has Declined as Rising Rents Outpace Income Growth

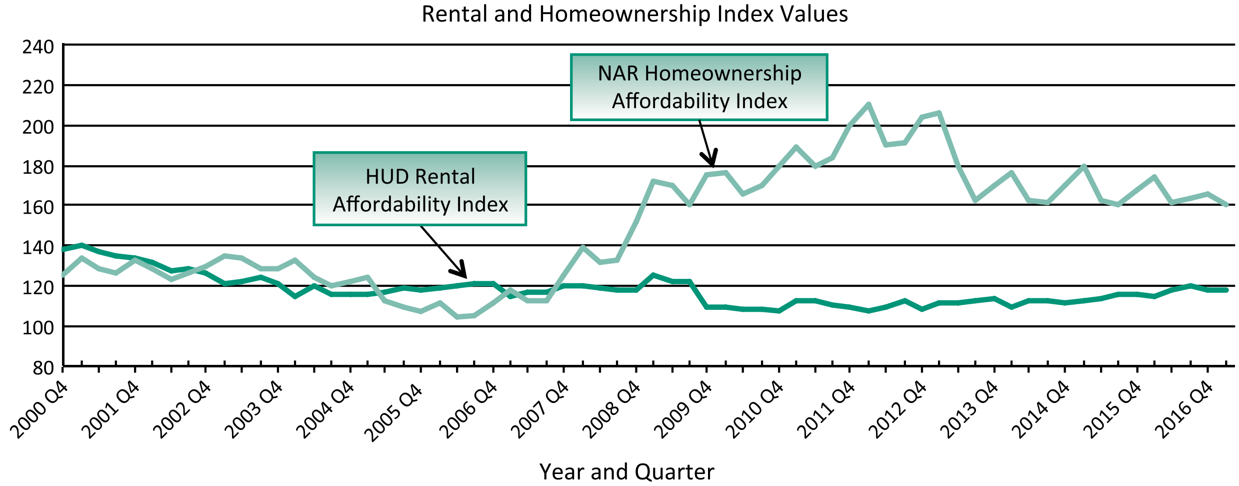
Income and Rents (2015 Dollars)



Sources: Census Bureau ACS and 2000 Decennial Census, BLS CPI and CPS, and HUD.

Rental Affordability Remains a Challenge Due to Rising Rents

Rental and Homeownership Index Values



Sources: National Association of Realtors®, Census Bureau ACS and 2000 Decennial Census, BLS, CPS, and HUD.

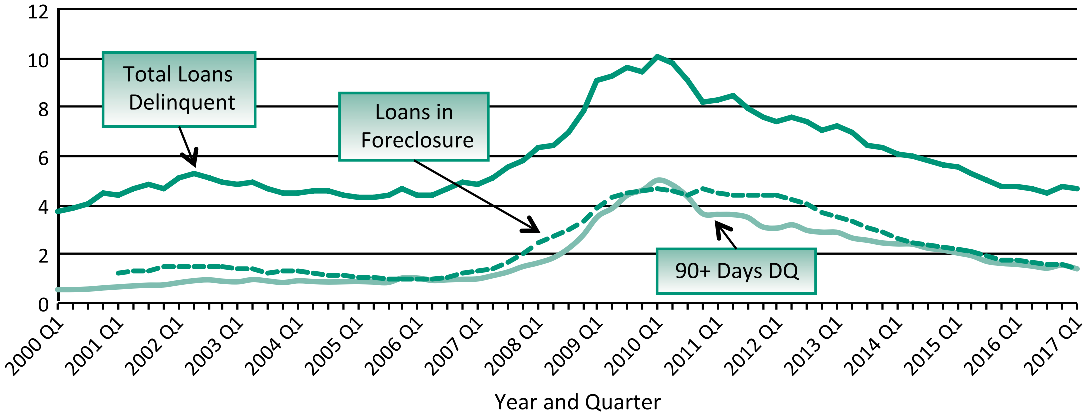
Housing Finance and Investment

The overall mortgage delinquency rate declined in the latest MBA survey. During the first quarter of 2017, the delinquency rate on mortgages of one- to four-unit residential properties decreased to 4.71 percent from 4.80 percent in the previous quarter and 4.77 percent one year ago, according to data from MBA's quarterly National Delinquency Survey. The historic average of the overall delinquency rate is 5.36 percent. The delinquency rate fell for all loan types—conventional, FHA, and VA—compared to the fourth quarter. The decline in delinquency for FHA loans was pronounced—from 9.02 to 8.09 percent—its lowest level since 1997. Seriously delinquent loans (those 90 or more days delinquent or in the foreclosure process) for all loan types dropped to 2.76 percent from 3.13 percent in the fourth quarter and were down from 3.29 percent in the first quarter of 2016. The share of newly initiated foreclosures rose slightly, although the 90-day or more delinquency rate continued to decline. Foreclosure starts rose to 0.30 percent of active loans from 0.28 percent in the previous quarter but were down from 0.35 percent one year ago. Foreclosure starts are still 15 basis points below their historic average of 0.45 percent, however. There was a sizeable drop in loans 90 or more days past due, from 1.54 percent in the fourth quarter to 1.39 percent in the first quarter. The percentage of loans in the foreclosure process, at 1.39 percent, fell from 1.53 percent in the previous quarter to its lowest level since the first quarter of 2007. Foreclosure inventory is now below its historic norm of 1.5 percent and is down to 30 percent of its peak in the fourth quarter of 2010 (4.64 percent), during the worst of the crisis.

Foreclosure starts and completions fell in the first quarter. ATTOM Data Solutions® reported that foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 102,600 U.S. properties in the first quarter, down 10 percent from the previous quarter and 20 percent over the four-quarter period. Newly initiated foreclosures have declined or remained virtually the same for eight of the last nine quarters. The pre-crisis average of foreclosure starts in 2005 and 2006 was 156,800 a quarter. Lenders completed the foreclosure process (bank repossessions or REO [real estate owned] properties) on 90,400 U.S. properties in the first quarter, down 5 percent from the previous quarter and 9 percent from one year ago. Foreclosure completions have declined or remained virtually the same for six of the past seven quarters. The pre-crisis (2005 and 2006) average of foreclosure completions was 69,400 a quarter. With rising home prices and low inventory levels, lenders have been resolving defaults more quickly, by either restructuring the loan or foreclosing on the property. In addition,

Mortgage Delinquency Rates Fell After Increasing in the Fourth Quarter

National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)

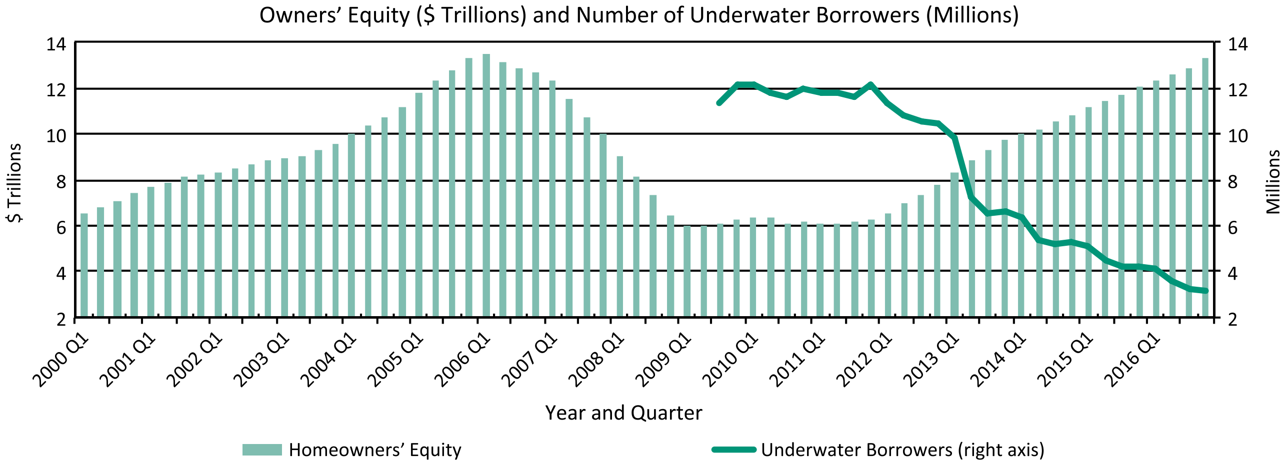


Delinquent (DQ) loans do not include loans in foreclosure. All data are seasonally adjusted except data for loans in foreclosure.
Source: Mortgage Bankers Association.

foreclosure activity has remained relatively high in states where the backlog of distressed properties—resulting from either a slow foreclosure process or a substantial pool of seriously delinquent mortgages relative to the years prior to the housing crisis—has been clearing.

In the fourth quarter of 2016, the number of underwater borrowers declined 1.9 percent, and homeowners' equity increased by $450 billion. According to CoreLogic, 3.17 million homes, or 6.2 percent of residential properties with a mortgage, were under water in the fourth quarter (the data are reported with a lag), down from 3.23 million, or 6.3 percent, in the third quarter of 2016 and 4.23 million, or 8.4 percent, one year ago. CoreLogic estimates that the number of underwater homes has declined by 1.06 million, or 25 percent, compared with a year ago. Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) has fallen 74 percent—from 12.1 to 3.2 million—or by 8.9 million homeowners. The decline in the number of homes in negative equity puts more homeowners in a position to sell their home, which could ease the current low level of homes for sale. A recent study by the Center for American Progress, however, shows that nearly 1,000 U.S. counties—primarily concentrated in nonmetropolitan areas—still have increasing or stagnating shares of homes with negative equity. [https://cdn.americanprogress.org/wp-content/uploads/2015/10/30051742/UnevenHousingRecovery-reportB.pdf.] The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) rose $450 billion in the fourth quarter of 2016 (the data are reported with a lag), reaching more than $13.3 trillion—the highest level since the first quarter of 2006, when home equity peaked at more than $13.4 trillion. Owners' equity has grown by nearly $7.1 trillion since the end of 2011. The rapid increase in home equity reflects house price appreciation, fewer distressed borrowers, and increased principal repayment.

Housing Wealth Rises Sharply in the Fourth Quarter, Number of Underwater Borrowers Continues To Drop

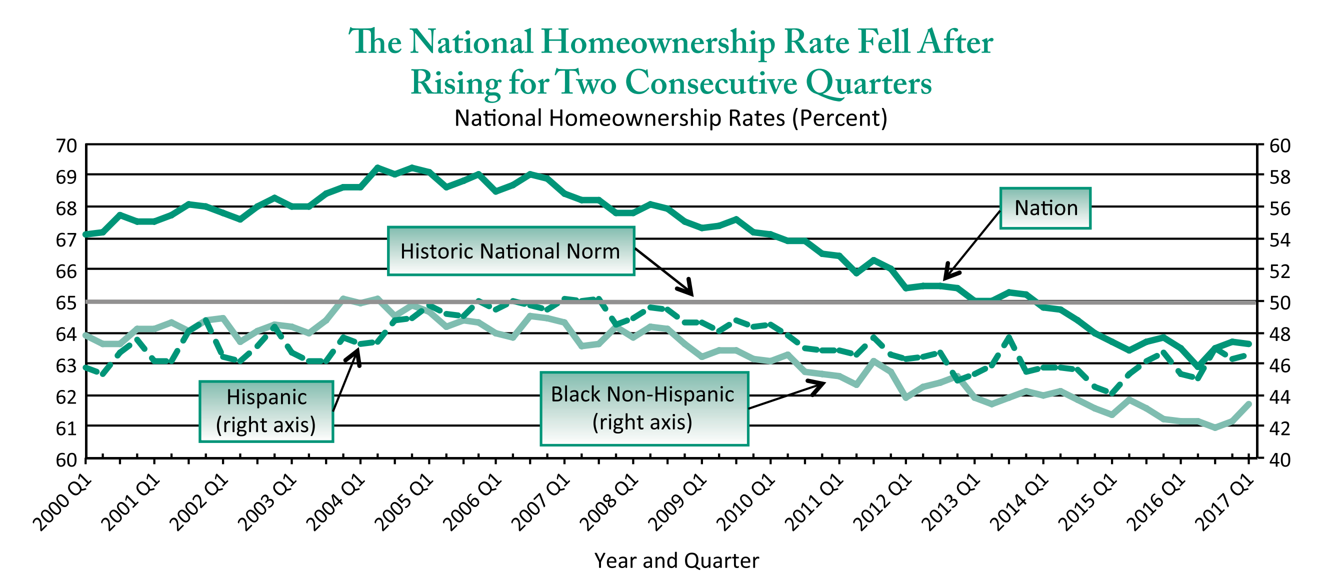


Data for underwater borrowers are only available beginning the third quarter of 2009.
Sources: Federal Reserve Board and CoreLogic.

Homeownership and Housing Vacancy

The U.S. homeownership rate fell slightly after increasing the last two quarters of 2016. The national homeownership rate, at 63.6 percent in the first quarter, declined from 63.7 percent in the fourth quarter but was still up from 63.5 one year ago. Beginning with the fourth quarter of 2013, the national homeownership rate declined for seven straight quarters, and has been fluctuating since. Homeownership peaked at 69.2 percent in the second and fourth quarters of 2004 and fell with the Great Recession, reaching a low of 62.9 percent in the second quarter of 2016—the lowest rate since 1965. For the first quarter of 2017, the homeownership rate for White non-Hispanic households dropped to 71.8 percent from 72.2 percent; for Black non-Hispanic households, the rate rose to 43.4 percent from 42.4 percent; and for Hispanic households, the rate increased to 46.6 percent from 46.3 percent. The homeownership rate fell to 56.0 percent for other-race non-Hispanic households and rose to 52.0 percent for two-or-more-races non-Hispanic households. Compared with the early 2000s, the current relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment because of the severe 2007–2009 recession. More recently, relatively slow income growth and restrictive credit markets have affected homeownership.

Research at the Federal Reserve Bank of New York points to larger mortgage down payments as a key factor in purchasing a home, with a 20-percent versus a 5-percent down payment making a big difference, particularly for renters. [https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr702.pdf.] Additional research on home purchases by the Federal Reserve Bank of New York and NAR shows that high debt-to-income ratios for young adults burdened with student loans are having a negative impact on homeownership. [http://www.realtor.org/news-releases/2015/03/nar-generational-survey-millennials-lead-all-buyers-most-likely-to-use-real-estate-agent.] [http://libertystreeteconomics.newyorkfed.org/2013/04/young-student-loan-borrowers-retreat-from-housing-and-auto-markets.html#.V09fyjUrK_p.] A recent study by the Federal Reserve Board finds that a 10-percent increase in student debt causes a 1- to 2-percent drop in the homeownership rate for student loan borrowers during the first five years after exiting school. [https://www.federalreserve.gov/econresdata/feds/2016/files/2016010pap.pdf.] A 2016 NAR survey of homebuyers revealed that the share of homebuyers making their first purchase increased to 35 percent from 32 percent in 2015. It has been more than seven years since the foreclosure crisis began in 2007, which means that those who lost

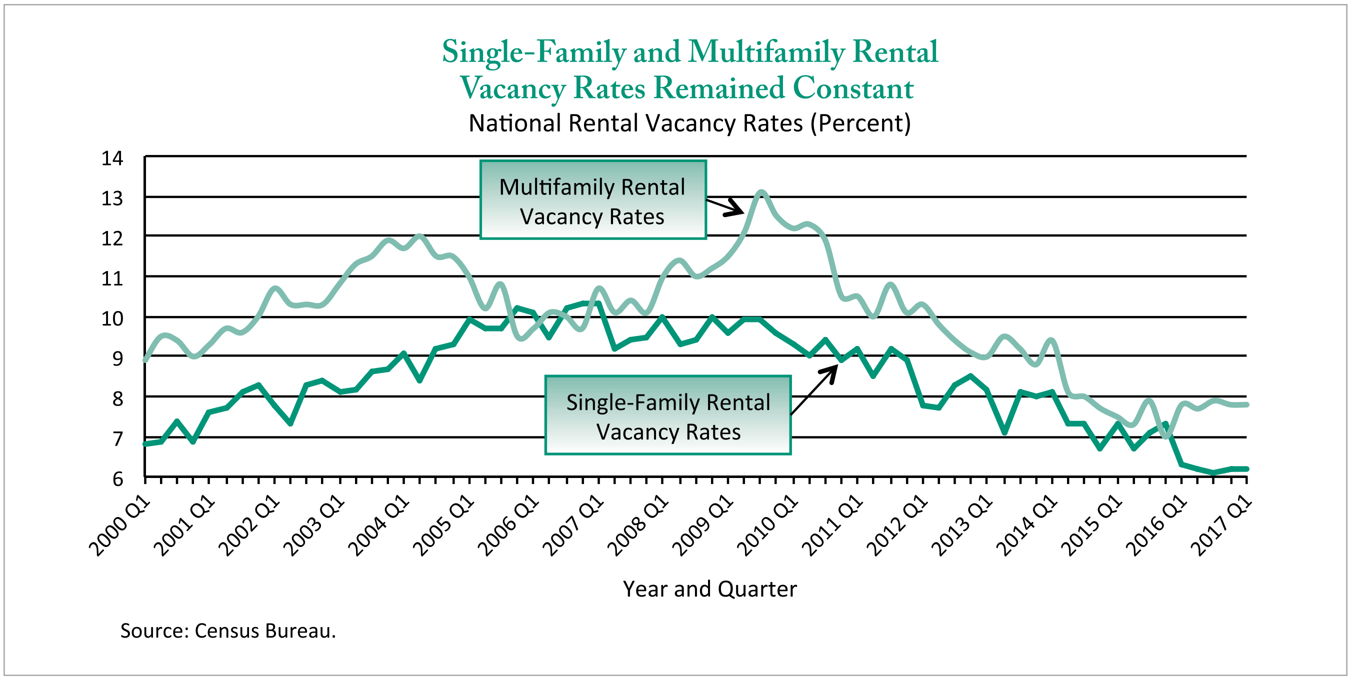


The historical norm of 65 percent is the average national homeownership rate since 1965.
Sources: Census Bureau and HUD.

their home to foreclosure may begin to re-enter the housing market as the foreclosure is removed from their credit history after seven years. The current credit environment is more restrictive, however, which will prevent some from re-entering the housing market until they can build a relatively high credit score.

The vacancy rate in the rental market was unchanged from the previous quarter for both single-family and multifamily homes. According to the U.S. Census Bureau, the overall vacancy rate in the rental market increased to 7.0 percent from 6.9 percent in the fourth quarter but was unchanged from the first quarter of 2016. The single-family rental vacancy rate, at 6.2 percent, was the same as in the previous quarter but was down slightly from 6.3 percent one year ago. The vacancy rate in the rental market for multifamily units (5 or more units in a structure) was 7.8 percent in the first quarter, unchanged from both the previous quarter and the first quarter of 2016. In addition to single-family and multifamily homes, the overall vacancy rate includes homes with 2 to 4 units in a structure.

The number of households grew only slightly in the first quarter. The number of U.S. households grew 0.1 percent to 118.8 million in the first quarter of 2017 from 118.6 in the previous quarter, and was up 1.0 percent from a year earlier, according to the Census Bureau's CPS/HVS (Current Population Survey/Housing Vacancy Survey). Household formation fell to an average annual rate of 0.5 percent during the severe 2007-2009 recession compared with 1.3-percent growth from 2001 to 2006. In the years immediately following the recession, young people were slow to form households, with an average annual growth rate of only 0.5 percent from 2010 to 2013. The pace picked up in 2014 and 2015, with an average annual growth rate of 1.2 percent, but fell to 0.7 percent in 2016. Research by Econometrica, Inc., using American Housing Survey data, found that the number of "doubled-up" households increased at an annual rate of 2.4 percent between 2007 and 2009, up from a pace of 1.4 percent between 2003 and 2005—with adult children living at home being the most common cause of doubling up. [https://www.huduser.gov/portal/pdredge/pdr_edge_research_012714.html.]



HUD PD&R **National Housing Market Summary**

The table below summarizes quarterly changes in national housing indicators, comparing current quarter data to the previous quarter and year-ago quarter.

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING SUPPLY									
Housing Permits (SAAR, thousands)									Q1 2017
Total	1,260	1,269	(r)	1,168	– 0.7%	(n)	7.9%	(s)	
Single-Family	822	798	(r)	734	3.0%	(n)	12.0%	(s)	
Multifamily (5+)	401	433	(r)	398	– 7.5%	(s)	0.6%	(n)	
Housing Starts (SAAR, thousands)									Q1 2017
Total	1,242	1,248	(r)	1,153	– 0.5%	(n)	7.7%	(s)	
Single-Family	841	834	(r)	787	0.9%	(n)	6.9%	(s)	
Multifamily (5+)	391	406	(r)	353	– 3.8%	(n)	10.7%	(n)	
Under Construction (SA, thousands)									Q1 2017
Total	1,074	1,062	(r)	988	1.1%	(n)	8.7%	(s)	
Single-Family	454	449	(r)	426	1.1%	(n)	6.6%	(s)	
Multifamily (5+)	609	602		552	1.2%	(n)	10.3%	(s)	
Housing Completions (SAAR, thousands)									Q1 2017
Total	1,151	1,122	(r)	1,038	2.6%	(n)	10.9%	(s)	
Single-Family	795	762	(r)	714	4.4%	(n)	11.3%	(s)	
Multifamily (5+)	344	351	(r)	308	– 2.1%	(n)	11.6%	(s)	
New Homes for Sale (SA)									Q1 2017
Inventory (thousands)	264	256		243	3.1%	(n)	8.6%	(s)	
Months' Supply (months)	4.9	5.6	(r)	5.5	– 12.5%	(s)	– 10.9%	(s)	
Existing Homes for Sale									Q1 2017
Inventory (NSA, thousands)	1,800	1,650		1,960	9.1%	(u)	– 8.2%	(u)	
Months' Supply (months)	3.8	3.6		4.4	5.6%	(u)	– 13.6%	(u)	
Manufactured Home Shipments (SAAR, thousands)	101.0	90.7	(r)	83.0	11.4%	(u)	21.7%	(u)	Q1 2017

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

Note: Components may not add to totals because of rounding.

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING DEMAND						
Home Sales (SAAR)						Q1 2017
New Homes Sold (thousands)						
Single-Family	616	568 (r)	526	8.5% (n)	17.1% (s)	
Existing Homes Sold (thousands)						
Single-Family, Townhomes, Condos, Co-ops	5,620	5,547	5,357	1.3% (u)	4.9% (u)	
Condos and Co-ops	627	627 (r)	600	0.0% (u)	4.4% (u)	
First-Time Buyers (%)	32	32	31	0 (u)	2 (u)	
Investor Sales (%)	16	13	16	2 (u)	– 1 (u)	
Home Sales Prices						Q1 2017
Median ($)						
New Homes	306,000	318,600 (r)	312,800	– 4.0% (u)	– 2.2% (u)	
Existing Homes	230,700	233,933	215,733	– 1.4% (u)	6.9% (u)	
Repeat-Sales Home Price Indices						
FHFA (SA)	241.2	237.9 (r)	227.5	1.4% (u)	6.0% (u)	
CoreLogic Case-Shiller (SA)	188.3	185.3 (r)	178.3	1.6% (u)	5.7% (u)	
Housing Affordability						Q1 2017
Composite Index	160.3	166.0 (r)	173.9	– 3.5% (u)	– 7.8% (u)	
Fixed Index	159.8	165.5 (r)	172.6	– 3.2% (u)	– 7.2% (u)	
National Average Mortgage Interest Rate (%)	4.4	3.9	4.0	0.5 (u)	0.4 (u)	
Median-Priced Existing Single-Family Home ($)	232,100	235,400 (r)	217,167	– 1.4% (u)	6.9% (u)	
Median Family Income ($)	71,201	70,831	69,296	0.5% (u)	2.7% (u)	
Rental Affordability						
HUD's Rental Affordability Index	117.9	117.3 (r)	114.2	0.5% (u)	3.3% (u)	Q1 2017
Multifamily Housing						
Apartments						
Completed Previous Quarter (thousands)	73.3	73.8	67.3	– 0.7% (n)	8.9% (s)	Q4 2016
Leased Current Quarter (%)	53	58 (r)	60	– 5 (s)	– 7 (s)	Q1 2017
Median Asking Rent ($)	1,503	1,521 (r)	1,446	– 1.2% (n)	3.9% (n)	
Condos and Co-ops						
Completed Previous Quarter (thousands)	6.5	6.1	3.2	6.0% (n)	103.1% (n)	Q4 2016
Sold Current Quarter (%)	47	71 (r)	81	– 24 (s)	– 34 (s)	Q1 2017
Median Asking Price ($)	707,814	519,840 (r)	525,221	36.2% (n)	34.8% (n)	
Manufactured Home Placements (sales at SAAR, thousands)						
Shipped Previous Quarter (thousands)	90.3	76.0	76.0	18.8% (u)	18.8% (u)	Q4 2016
Sold Current Quarter (%)[1]	54.5	73.0	63.8	– 18.5 (s)	– 9.3 (s)	Q1 2017
Builders' Views of Market Activity (Composite Index)	68	65	59	4.1% (u)	14.7% (u)	Q1 2017

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

Note: Components may not add to totals because of rounding.

[1] The share of previous-quarter shipments sold for residential use within four months of being shipped.

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING FINANCE and INVESTMENT						
Mortgage Interest Rates (%)						Q1 2017
30-Year Fixed Rate	4.17	3.81	3.74	0.36 (u)	0.43 (u)	
15-Year Fixed Rate	3.99	3.07	3.03	0.92 (u)	0.96 (u)	
5-Year ARM[2]	3.22	3.02	2.90	0.20 (u)	0.32 (u)	
Mortgage Delinquency Rates (%)						Q1 2017
All Loans Past Due (SA)	4.71	4.80	4.77	– 0.09 (u)	– 0.06 (u)	
Loans 90+ Days Past Due (SA)	1.39	1.54	1.57	– 0.15 (u)	– 0.18 (u)	
Seriously Delinquent (90+ Days & in FC, NSA)	2.76	3.13	3.29	– 0.37 (u)	– 0.53 (u)	
FHA Market Share[3]						Q4 2016
Dollar Volume (%)						
All Loans	14.1	13.0	14.1	1.1 (u)	0.0 (u)	
Purchase	18.3	17.2	18.0	1.1 (u)	0.3 (u)	
Refinance	10.0	8.3	8.7	1.7 (u)	1.3 (u)	
Loan Count (%)						
All Loans	16.3	15.4 (r)	15.3	0.9 (u)	1.0 (u)	
Purchase	20.5	19.7 (r)	20.4	0.8 (u)	0.1 (u)	
Refinance	11.8	10.2 (r)	9.6	1.6 (u)	2.2 (u)	
FHA Mortgage Insurance (thousands)[4]						Q1 2017
Applications Received	385.1	372.9	415.5	3.3% (u)	– 7.3% (u)	
Endorsements	298.3	337.5	277.4	– 11.6% (u)	7.5% (u)	
Purchase	195.5	220.4	187.1	– 11.3% (u)	4.5% (u)	
Refinance	102.8	117.2	90.4	– 12.3% (u)	13.8% (u)	
Private and VA Mortgage Insurance (thousands)						
PMI Certificates[5]	224.0	244.0	178.6	– 8.2% (u)	25.4% (u)	Q4 2016
Veterans Affairs Guarantees	151.0	232.3	151.0	– 35.0% (u)	0.0% (u)	Q1 2017
Residential Fixed Investment (SA real annual growth rate, %)	13.8	9.6	7.8	4.2 (u)	6.0 (u)	Q1 2017
GDP (SA real annual growth rate, %)	1.2	2.1 (r)	0.8	– 0.9 (u)	0.4 (u)	
Housing's Contribution to Real GDP Growth (percentage points)	0.50	0.35	0.29	0.15 (u)	0.21 (u)	

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

Note: Components may not add to totals because of rounding.

[2] Commitment (advertised) rates on the 5-Yr ARM are now reported in place of rates on the 1-Yr ARM. Freddie Mac discontinued surveying lenders on the 1-Yr ARM as of January 2016.

[3] FHA market share estimates are based on new methodology beginning with the Q3 2013 release; estimates were revised back through Q1 2011. See the FHA Market Share report on their website for an explanation of the new methodology: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/rmra/oe/rpts/fhamktsh/fhamktqtrly.

[4] FHA mortgage applications and endorsements data have been revised to exclude Home Equity Conversion Mortgages (HECM) beginning with the Q3 2013 release.

[5] Source: USMI (U.S. Mortgage Insurers), the trade association for the PMI industry. The data represent PMI Certificates issued by five of the six major PMI companies: Essent (Essent Guaranty, Inc.), Genworth (Genworth Mortgage Insurance Corp.), MGIC (Mortgage Guaranty Insurance Corp.), NMI (National Mortgage Insurance Corporation), and Radian (Radian Guaranty Inc.). A sixth major PMI insurer, Arch (Arch Mortgage Insurance Co.), has not been represented since 2Q 2016.

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOMEOWNERSHIP and OCCUPANCY						
Homeownership Rates (%)						Q1 2017
Overall	63.6	63.7	63.5	– 0.1 (n)	0.1 (n)	
Non-Hispanic						
White	71.8	72.2	72.1	– 0.4 (s)	– 0.3 (n)	
Black	43.4	42.4	42.3	1.0 (n)	1.1 (n)	
Other Race	56.0	56.4	55.9	– 0.4 (n)	0.1 (n)	
Two or More Races	52.0	49.9	49.2	2.1 (n)	2.8 (n)	
Hispanic	46.6	46.3	45.3	0.3 (n)	1.3 (n)	
Vacancy Rates (%)						Q1 2017
Homeowner	1.7	1.8	1.7	– 0.1 (n)	0.0 (n)	
Rental	7.0	6.9	7.0	0.1 (n)	0.0 (n)	
Single-Family	6.2	6.2 (r)	6.3	0.0 (n)	– 0.1 (n)	
Multifamily (5+)	7.8	7.8 (r)	7.8	0.0 (n)	0.0 (n)	
Housing Stock (thousands)						Q1 2017
All Housing Units	136,090	135,884	135,268	0.2% (u)	0.6% (u)	
Owner-Occupied	75,556	75,604	74,702	– 0.1% (n)	1.1% (s)	
Renter-Occupied	43,244	43,038	42,879	0.5% (n)	0.9% (n)	
Vacant	17,290	17,242	17,688	0.3% (n)	– 2.3% (s)	
Year-Round Vacant	12,828	12,940	13,128	– 0.9% (n)	– 2.3% (n)	
For Rent	3,283	3,215	3,269	2.1% (n)	0.4% (n)	
For Sale	1,292	1,400	1,313	– 7.7% (n)	– 1.6% (n)	
Rented or Sold, Awaiting Occupancy	986	993	970	– 0.7% (n)	1.6% (n)	
Held Off Market	7,267	7,332	7,576	– 0.9% (n)	– 4.1% (s)	
Occasional Use	2,067	2,170	2,085	– 4.7% (n)	– 0.9% (n)	
Occupied—URE	1,426	1,472	1,570	– 3.1% (n)	– 9.2% (s)	
Other	3,774	3,690	3,922	2.3% (n)	– 3.8% (n)	
Seasonal Vacant	4,462	4,302	4,560	3.7% (n)	– 2.1% (n)	
Households (thousands)						Q1 2017
Total	118,800	118,643	117,582	0.1% (s)	1.0% (s)	

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

Note: Components may not add to totals because of rounding.